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IMMEDIATE

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STAFF

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MESSAGE

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TOT: 280530Z MAR 86

~~SECRET NOFORN NOCONTRACT~~  
BRIEF 280530Z  
TO: IMMEDIATE ROUTINE MEA BRIEF.

(NOFORN IN SLANTS)

WNINTEL.

SUBJECT: MIDDLE EAST/AFRICA BRIEF  
1986.

FOR 28 MARCH

FROM: DDI/O/CPAS

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1. ISRAEL-LEBANON-PLO: INCREASED BORDER VIOLENCE

Approved for Release  
Date JUN 1999

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63  
//ISRAELI AIRCRAFT HIT PLO TARGETS NEAR SIDON YESTERDAY FOLLOWING A ROCKET ATTACK ON NORTHERN ISRAEL, THE FIRST SINCE 1982 TO CAUSE CIVILIAN CASUALTIES//. 63

61, 63  
//PRIME MINISTER PERES CLAIMED ON ISRAELI RADIO THAT THE AIRSTRIKES WERE IN RETALIATION FOR AN ATTACK ON QIRYAT SHEMONA THAT INJURED FOUR SCHOOL CHILDREN AND A TEACHER YESTERDAY, 63

63  
//THE ISRAELI ARMY MOUNTED LARGE-SCALE SWEEPS IN ITS SECURITY ZONE IN SOUTHERN LEBANON IN SEARCH OF THE ATTACKERS. ANOTHER ROCKET ATTACK OCCURRED TUESDAY, IN RETALIATION FOR THE RECENT BOMBARDMENT OF AMAL-CONTROLLED NABATIYAH BY THE ISRAELI-SUPPORTED ARMY OF SOUTH LEBANON//. 63

63  
//THE COMMANDER OF ISRAEL'S NORTHERN FORCES ADMITTED THAT AT THE TIME OF THE AIRSTRIKES THE ISRAELIS DID NOT KNOW WHETHER THE AMAL MOVEMENT, THE H'ZBALLAH, OR THE PLO WAS RESPONSIBLE FOR THURSDAY'S ATTACK//. 63

63  
63  
//PERES PROBABLY CLAIMED THE AIRSTRIKE WAS A DIRECT RETALIATION TO PLACATE ISRAELIS AND TO DETER PRESSURE FOR A STRONGER RESPONSE. TEL AVIV IS CONTINUING ITS POLICY OF PUNISHING SHIA AND PALESTINIAN FIGHTERS FOR ATTACKS ON THE NORTHERN SETTLEMENTS. MANY LEADERS, HOWEVER, INCLUDING PERES, FEAR THAT THIS APPROACH MAY LEAD TO EVEN GREATER GUERRILLA ACTIVITY. NEVERTHELESS, THE ISRAELIS SEE NO REALISTIC ALTERNATIVE TO A POLICY OF REPRISAL AND ALMOST CERTAINLY WILL TAKE FURTHER ACTION TO PUNISH WHOEVER THEY DETERMINE WAS RESPONSIBLE FOR THE MOST RECENT ATTACK//. 63

## 2. IRAQ: NEW AUSTERITY MEASURES

61, 63  
//IRAQ IS TRYING TO COPE WITH LOWER OIL REVENUES AND WAR EXPENSES BY CUTTING GOVERNMENT SPENDING EVEN FURTHER. 63  
IMPORTS AND DEVELOPMENT WILL BE SCALED BACK. 63

63  
THE AUSTERITY DECISIONS WERE MADE LAST WEEK DURING A HIGHLY PUBLICIZED MEETING OF IRAQI LEADERS, CHAIRED BY PRESIDENT SADDAM HUSAYN//. 63

63  
//SADDAM'S DIRECT PARTICIPATION IN ECONOMIC POLICY OVER THE PAST FEW MONTHS AND THE PUBLICITY GIVEN THE MEETING PROBABLY ARE INTENDED TO PREPARE IRAQIS FOR UNPOPULAR SPENDING CUTS. BAGHDAD IS LIKELY TO REDUCE WAGES AND BENEFITS FOR GOVERNMENT 63

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EMPLOYEES AND TO CUT SUBSIDIES FOR FOOD AND CONSUMER GOODS. THE NEW RESTRICTIONS ON REMITTANCES, COMBINED WITH LOWER DEVELOPMENT SPENDING, ARE LIKELY TO CAUSE MORE FOREIGN WORKERS--MOST OF THEM EGYPTIANS--TO LEAVE. THEIR ABSENCE MAY DISRUPT BASIC SERVICES//.

3. INDIA: MILITANTS ESCALATING VIOLENCE IN PUNJAB

//SIKH EXTREMISTS ARE INCREASING ATTACKS AND DEMONSTRATIONS AGAINST BOTH HINDUS AND MODERATE SIKHS. YESTERDAY SHOTS AND FIREBOMBS FORCED PUNJAB'S SIKH CHIEF MINISTER BARNALA OFF THE STAGE AT A RELIGIOUS FESTIVAL SPONSORED BY HIS MODERATE AKALI DAL PARTY; AKALI DAL OFFICES IN AMRITSAR WERE BURNED. LAST WEEK, MILITANTS ATTRACTED ENOUGH MODERATE SIKH SUPPORT--BY CLAIMING HINDUS HAD DESTROYED SIKH RELIGIOUS SHRINES--TO CUT OFF FOOD SHIPMENTS TO THE PRIMARILY HINDU CITY OF BATALA FOR FIVE DAYS//.

//THE MILITANTS PROBABLY WILL GAIN ADDITIONAL SUPPORT FROM MODERATE SIKHS IF THEIR TACTICS PROVOKE A HARSH RESPONSE FROM STATE OR NATIONAL AUTHORITIES OR FROM HINDU CHAUVINISTS. THE MILITANTS ALSO HOPE TO GAIN SUPPORT BY DISCREDITING THE MODERATE SIKH RELIGIOUS AND POLITICAL LEADERSHIP AND BY CASTING NEW DELHI AS THE DEFENDER OF THE HINDU FAITH. PRIME MINISTER GANDHI WILL TRY TO AVOID PLAYING INTO THE MILITANTS' HANDS AND EARLY NEXT MONTH IS LIKELY TO GIVE SIKH-DOMINATED PUNJAB STATE EXCLUSIVE CONTROL OF CHANDIGARH, THE CAPITAL IT NOW SHARES WITH HARYANA, A MOVE CERTAIN TO REINFORCE MODERATE SIKHS' SUPPORT FOR CHIEF MINISTER BARNALA AND FOR NEW DELHI//.

4. IN BRIEFS

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